

MINUTES AND REPORT

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MEETING OF COUNCIL

THE CO-OPERATIVE FEDERATION OF VICTORIA

held at 225 Swanston Street, Melbourne on Monday 15th March 1982, commencing at 7 p.m.

1. PRESENT:

Mr. J. N. Black
Mr. A. Dash
Mr. E. J. Long
Mr. B. H. Macintosh
Mr. J. Mitchell
Mr. G. Simm
Mr. O. J. Slattery
Mr. W. W. Rawlinson

Chairman

Executive Officer

In attendance:

Community Employment Co-operative
Development Adviser

Apology received for absence from the meeting from Mr. M. Rundle.

2. MINUTES:

Minutes of the meeting held 15th February 1982, having been circulated, were received and adopted as a correct record of that meeting.

3. MATTERS ARISING:

3.i Minute 4.iii - Video Production Appeal.

The Executive Officer reported that 8 Co-operatives and one individual person had responded with funds totalling \$1,065. The appeal is to be repeated in the next issue of the Federation's Newsletter.

Mr. Rawlinson reported that action, as directed by Council, to refer the appeal to other State Federation members of the Co-operative Federation of Australia had been deferred to enable a submission to be made to the Victorian Government's Co-operative Advisory Council for financial assistance. Mr. Long reported the submission had been received by the Advisory Council which has recommended to the Minister that the proposal be supported.

In the event of non-support, action will then be continued with other State Federation members of the Co-operative Federation of Australia.

3.ii Minute 4.vi - Co-operative Bank Study

Representatives of the 4 major Co-operatives who contributed funds towards the Co-operative Federation of Australia's sponsored

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feasibility study for the establishment of a Co-operative Bank met with the study team in Melbourne and exchanged views on feasibility requirements and services of a Co-operative Bank.

3.iii Minute 10 - Corporate Planning Meeting

This will be held in the Board Room, V.C.C.A., on Sunday, 4th April 1982 from 10 a.m to 4 p.m. Mr. Richard Crosbie, President of V.C.C.A. will act as Invigilator.

3.iv Minute 12.iv - A.A.S.A. Discussion Group - Wholesaling Businesses

From 428 Accountants circulated, 32 have expressed interest in forming a discussion group. Mr. Rawlinson indicated he is currently working out proposals for instigating the group in conjunction with the other convenor, Mr. West, Secretary, Toy World and the Victorian division of A.A.S.A.

4. CORRESPONDENCE

4.i To Chairman, Co-operative Advisory Council

A request for increase in the Advisory Council's grant from \$2,500 to \$5,000 per annum was formally made. Mr. Long reported that the request had been received by the Council which had recommended the increase as requested.

4.ii To Minister, Employment and Training

- confirming the Federation's willingness to continue full participation in the Government's Community Employment Co-operative Development Programme for the year commencing 1st July 1982.

4.iii To General Manager, Drouin Co-operative Butter Factory

- requesting a meeting with the Chairman of the Co-operative Dairy Factories Association of Victoria.

Mr. Black reported that although no formal response had been received to this letter, telephone advice has been received that efforts will be made for the secretary of the Dairy Factories Association to forward a reply within the next two weeks.

5. FINANCIAL STATEMENT

A statement of income and expenditure covering the period 1st July 1981 to 28th February 1982, together with an estimated balance sheet of the Federation's financial affairs, as at 28th February 1982, was submitted to Council. The statement dissected income and expenditure of the Community Employment Development programme and other Federation income and expenditure for assistance of members of Council.

After due discussion the financial statement was received and adopted.

6.

CONSTITUTION

The Executive Officer reported having forwarded a copy of the Draft Rules to the Registrar on 16th February 1982 for his comment. These comments have now been received and, although in an initial form of presentation, include 28 corrections to the Draft.

Some of these corrections are minor some are major that include such items as the rate of subscription to be specified and the suggestion of variance by the Board to be deleted. Another major correction required is the composition of the Board of Directors. Different classes of representative directors are illegal and this must change to enable 10 directors to represent the members to comprise the Board of Directors.

Council directed

the Registrar's comments be referred to the Legislation Committee for subsequent report back to Council.

The Legislation Committee was directed to

submit recommendations to Council on the formation and incorporation of the Federation in accordance with the new legislation.

7.

1982 ANNUAL CONFERENCE

The Council agreed

the Conference be held on Tuesday, 10th August 1982 from 9 a.m. to 5 p.m. at the Yarra Room, Olympic Park.

Council agreed

that the period 09.30 to 10.30 be used to hold the Annual General Meeting of the Federation and, subject to recommendations of the Legislation Committee, the formation meeting of the Co-operative Federation of Victoria Limited.

It was agreed

an invitation would be extended to H.E. The Governor of Victoria to officially open the Conference at 10.30 to be followed at 10.50 by Morning Tea.

It was agreed

the period between 11.30 and 12.45 be devoted to the presentation of papers for which invitations would be issued to

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Senator Siddons
Robert Webb, Avon Valley Farms
and a Community Employment Co-operative personality

Council agreed

the afternoon session should be the subject of discussion groups with the Conference to end at 1700.

Council recommended

Discussion groups consider the matters concerning "Focus on Growth in Co-operatives".

Council directed

a charge of \$15-00 per head be levied for participants in the Conference.

Council also directed

that studies be made to assess the possibility of achieving some sort of sponsorship to assist in covering costs. Suggested industry groups to be approached were concerned with computers, word processing machines, computer pay systems, e.g. T.N.T., Mayne Nickless.

8. 1982 REGIONAL MEETINGS

Council advised that the Gippsland Regional Meeting has been scheduled for 28th April 1982 in the Morwell Club at Morwell. A minimum attendance of 30 people is required and it is proposed the function commences at 6 p.m. with smorgasbord type meal commencing 6.30 p.m. with a sit-down informal type meeting/discussion at 7.30 p.m. It was agreed matters for discussion would include requirements of training programmes and Co-operative legislation.

Subsequent regional meetings will be planned in the light of experience of this first exercise.

Five members of Council indicated their availability to attend.

Planning for the holding of the Western Districts regional meeting in Camperdown in May 1982 will commence with fixation of venue and time.

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REPORTS

9.i

Community Employment Co-operative Development Programme

Mr. Greer tabled a copy of the budget submitted to the Ministry of Employment and Training to enable the Federation and the Development Adviser to carry out its part of this programme in the financial year commencing 1st July 1982.

The budget provides for -

Operating costs	\$55,500
Capital requirements	2,500
Consultancy resources	13,500
	<u>\$71,500</u>

Mr. Greer also reported increase in the staff of the Federation by the appointment of Mrs. Joanne Sarlin as Administrative Assistant within the terms of the current year's budget. Provision has been made for continued funding of this position in the 1982/83 budget.

Mr. Greer reported on the many demands on members of the Funding Committee which has met many times at short notice in recent weeks with the object of processing submissions to enable them to be included in the current year's financial programme. It appears likely that the programme will end with about 20 Co-operatives being funded to allow their stabilisation and sound development to be assessed.

Of these 20 Co-operatives, about one third are still in the feasibility stage and requirements for all are for a continued funding on a reduced basis with the object of achieving the viability. 1983 and 1984 programmes will, therefore, require funds to assist in supporting existing Co-operatives as well as new Co-operatives. However, it is hoped that arrangements will be made within the foreseeable future for the type of funding to change from grant to loan funding.

9.ii

Co-operative Federation of Australia

(a) Re-structuring

Mr. Macintosh indicated the Legislation Committee recommend to Council that the concept of a revitalised Co-operative Council of Australia which would have the effect of increasing co-operation amongst Co-operatives throughout the country should be supported. However, the Legislation Committee expressed some reserve on the need to change the

existing name.

The proposals outlined by the C.F.A. provide for State divisions of the national body to be established in each State with each being a legal entity. The Legislation Committee considered that as the Co-operation Act, 1981 Victoria provides for the incorporation of a Co-operative Federation in this State, the Victorian State Division should be the Co-operative Federation of Victoria.

Council considered correspondence between the Co-operative Federation of Australia and the Chairman of the Steering Committee, Mr. A. T. Poustie, Chairman, Co-operative Federation of Western Australia. The correspondence related to appointment of Directors from each State. In the light of advice from the Registrar of Co-operatives in Victoria this could present problems if the organisation were to be associated with Co-operative legislation in this State.

Some criticism of the proposed structure superimposing a national council on State councils was voiced and an alternative structure, namely, that used by the Australian Federation of Credit Union Leagues where each State operates as a member of a national body was submitted for future consideration.

Council emphasised that a national body must be capable of communicating and providing services for the smallest Co-operative in any State. This will only be possible through active and concerned State Federations or Divisions which provides for no discrimination between Co-operatives by size of business or membership.

Mr. Slattery reported a meeting of the Steering Committee will be held in Melbourne on Friday, 19th March to receive a report on the attitude of the Co-operative Federation of Queensland and to submit the views of Council of the Co-operative Federation of Victoria on the proposal as it now stands.

(b) Co-operative Bank Study

Mr. Slattery reported the team appointed by the Co-operative Federation of Australia to undertake stage 2 of studies into the feasibility of establishing a Co-operative Bank are well advanced in their programme. The team comprises Mr. Clive Little, Partner, Deloitte Haskins & Sells, and Mr. M. Stroethoff, Manager, Foreign Dept., D. G. Bank of Germany.

The team had meetings in Melbourne with the Steering Committee of the Co-operative Federation of Australia, with the incoming President of the Australian Association of Permanent Building Societies, with a representative group of major Victorian Co-operative senior officials. In New South Wales the team met representatives of Permanent Building Societies, the

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Australian Federation of Credit Union Leagues, and with Mr. Oliver, the author of the report on Stage 1 of these studies.

It is anticipated the report on Stage 2 will be available in early April 1982.

9.iii Advisory Council

Mr. Long reported that the Co-operative Societies Advisory Council met on Thursday, 11th March 1982. That meeting requested the Federation to submit the names of five people from whom the Minister may select two for appointment to the Advisory Council as constituted under the Co-operation Act 1981.

It is anticipated the new Co-operation Act will be proclaimed on 30th March 1982.

The Chairman advised that the names, as agreed by Council, at its November meeting were submitted to the Minister on 11th March 1982.

9.iv Executive Officer

Mr. Rawlinson reported that in discussion with the Registry a change of attitude appears apparent relating to legislation affecting worker-type Co-operatives. The subject will be referred to the Legislation Committee for deliberation and preparation of proposals for amendments to allow workers to become directors in Employment Co-operatives.

10. OTHER BUSINESS

10.i Committee on Reasons for Failure of Co-operatives

Mr. John Barton, Head, Dept. of Mathematics and Research, Footscray Institute of Technology, has indicated willingness to join in initial discussions of this committee for which a mutually convenient time is not possible for late April 1982.

10.ii Newsletter

Copy for the next Newsletter, with orders for a wider circulation, are currently with Mr. Manallack.

10.iii V.C.C.A. - Sponsoring Consumer Protection Material Distribution

Mr. Dash reported that the Victorian Co-operative Credit Association has the support of the Minister for Consumer Affairs in its sponsoring of Consumer Protection Material published by Dick Smith.

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11. NEXT MEETING

Council agreed the next meeting will be held at 225 Swanston Street, Melbourne on Monday, 19th April, commencing 7 p.m.

12. CLOSURE

There being no further business the meeting was closed at 10.15 p.m.

J. B. Black 19-4-82